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departure from science. Professor Davidson recognizes that it is force of some sort that decides the issue, but he nowhere formulates the law of the action of this force. He is satisfied to remove the question to the psychologic sphere and to let the parties to the wages-contract play out their little game of poker unmolested! Do we need to remind him that all laws of economics are psychological, and that we begin the study of economics by an invasion of the field of psychology?

According to Professor Davidson, the advance of facility in transportation has actually decreased the method of adjusting wages by actual bodily migration of laborers. The facts cited are interesting and their presentation is timely. It is, indeed, somewhere stated by him that the transportability of capital and the diffusion of news have rendered such migration superfluous. But the broad inference from this treatment of the subject is that the forces that settle the rate of wages are *not* competitive but psychological — again setting up the imaginary opposition between economic forces and psychological forces, which has already been alluded to. The question must always be, what has determined the minds of men to agree on certain wages? The answer must state economic forces, and it is to be regretted that Professor Davidson has cast his book into such form as to seem to avoid the answer.

The foregoing criticisms are directed at the book as a professed "theory." As an essay on wages the book is useful, interesting, and welcome. It illustrates the growing tendency to test every statement by statistics, and an effort at objective impartiality which would have been more successful if the deficiency of the theory had not given the book an air of lack of theoretical conviction.

W. G. LANGWORTHY TAYLOR.

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German Wage Theories. A History of their Development. By JAMES W. CROOK, PH.D., Assistant Professor of Political Economy, Amherst College. New York: Columbia University, 1898. Large 8vo, pp. vii + 113.

IN the words of the author, this monograph is an attempt to exhibit "the treatment of the entire wages question by the Germans," the chief object being "to discover, if possible, progress of thought on

the subject." In pursuance of this aim, passing over lightly the part in each author which treats of the wages fund, and sacrificing chronology where necessary to a logical order, Professor Crook subsumes the German writers on wages under two main groups. The first group is composed of Schmalz, Fulda, Sartorius, Lueder, Kraus, Rau, Hermann, Brentano, Roscher, Mithoff, Mangoldt and Philippovich. "Hermann is the center of this group," and the others are treated as important "only as they lead up to him, depend upon him, deviate from him, or throw light upon him." There is claimed for this group a real unity of method and interest. The second group includes apparently all German writers on the wages question not named in the first, represented by three names—von Thünen, Karl Marx, and Schulze-Gaevernitz. These three writers, as admitted by Professor Crook, have so little in common that they are spoken of as a group merely for convenience.

The exposition of the wage theories of the first group occupies something more than half of this monograph. The earlier members, Schmalz, Fulda, Sartorius, Lueder, Kraus, Lotz and Rau, are passed rapidly in review as "Hermann's predecessors." With the exception of Schmalz, a physiocrat, these authors are represented as in the main interpreters of Adam Smith. Rau, indeed, the only one of note, "recast the science on the principles laid down by Adam Smith" and founded in Germany "that individualistic school which Adam Smith founded in England."

The appearance of Hermann marks an independent movement in the economic thought of Germany. He is represented as "the first to assail with some measure of success the wages fund theory of the English economists," and "he substituted for it a theory which appears in nearly every systematic treatise on political economy in Germany since his day." The essential difference between the views of Hermann and the followers of Adam Smith may be stated in a single sentence. Whereas the latter regarded capital in the hands of the employer as the source and determinant of wages, the former laid stress on consumers' income as the regulator of the laborer's wage. Hermann and his followers viewed wages as determined broadly by the law of supply and demand but in the same manner that that law determines the price of labor. "Capital is repudiated as the source and determinant of wages. The key to the situation is no longer held by the employers but by the consumers. Employers are mere agents,

middlemen, who do the consumers' bidding for a commission. The consumer is the real buyer of labor. "All the steps leading to the final product are taken for the final consumer. The true and continuous source of compensation for production is the income of the buyer of the product for his own use." This doctrine says Professor Crook has been followed generally by German economists, while in England Longe and Thornton are spoken of as "adopting" Hermann's view. Brentano, Roscher, Mithoff, Mangoldt and Philippovich are treated specially as "Hermann's successors," each of them following Hermann in treating wages as only a part subject under the price of commodities. Professor Crook criticises this group, in that, while approaching wages from this point of view, they fail to lay sufficient emphasis upon the peculiar nature of labor as a commodity, and that in looking to consumers' income as the source and regulator of wages they fail to distinguish between general and particular wages.

As before stated there is no vital connection between the writers included in the second of Professor Crook's groups. Indeed in his treatment the group idea seems to have been entirely abandoned, von Thünen being discussed as an independent theorizer, Marx as the representative of the Socialists, and Schulze-Gaevernitz as prominent among those who in Germany regard wages as a residual share.

Nearly one-fourth of the entire monograph is devoted to the discussion and criticism of von Thünen. It was the desire of von Thünen to find a mathematical formula for natural wages. By the natural wage he meant not that normal amount to which under existing conditions wages tend, but "he called wages natural when they were in agreement with justice." "Assuming simple and primitive conditions," as in *Der Isolierte Staat*, or hypothetical cases, he arrived by a method "wholly deductive and highly abstract" at the expression, natural wages equals $\sqrt{a p}$, where a equals necessities and p the product of labor. Such a wage, contended von Thünen, was natural because, while it was for the interest of the capitalist to give this amount, the laborers who obtain it receive the highest amount as interest upon the investment of the surplus of their wages. The critics of von Thünen are of two classes, those who deny the validity of the formula because of the unreality of the assumptions upon which it is based, and those who impeach the consistency of his mathematical reasoning. Professor Crook regards the second class as more worthy of attention and credits Professor H. L. Moore with having disclosed

von Thünen's real fallacy—namely, that in attempting to find the values of the mathematical signs for subsistence and interest, unknown quantities, he uses these quantities as known. Though the conclusions based upon his mathematical reasoning must be set aside as of little value, still the author gives von Thünen great credit for having “anticipated by many years” a theory of prevailing wages that was independently developed and made known to the world by Professor J. B. Clark, the theory, namely, that wages are determined by the product of marginal laborers.

Professor Crook finds Marx allied to von Thünen in that he was also dissatisfied with a simple appeal to supply and demand as an explanation of wages. “His treatment of wages is a unit with the treatment of the value of commodities,” which seems to connect him also with the economists of the first group. The short chapter devoted to Marx is in the main a running exposition and criticism of the Marxian doctrines with which economic students are familiar. It leaves no very definite impression on the mind.

The latest development of wage doctrine in Germany, we are told, holds to the so-called residual theory. In its exposition the Germans do not attempt to modify in any important particular the main features of Professor Walker's theory. Indeed, the German economists seem to have followed the lead of the Americans, as Schulze-Gaevernitz, taken as the representative, is spoken of as one who “so often quotes” Edward Atkinson. Professor Crook's treatment of this topic amounts to little more than a statement of the theory and its implications, and here the monograph comes to an abrupt end.

Leaving aside intensive criticism of Professor Crook's work, which could be justly undertaken only by a thorough student of German economic literature, it is of interest to note some general defects of the monograph. To the average reader there appears a lack of proportion evident for example in the treatment of von Thünen. Notwithstanding that Professor Crook regards him “as a genius about whom it is desirable that American students should know more,” it is hardly reasonable that a discussion of his work should occupy nearly one-fourth of a monograph which aims “to exhibit the treatment of the entire wages question by the Germans.” The feeling of disproportion increases as one nears the end of the work. The suspicion crosses the mind that the monograph was hurriedly completed. It is difficult otherwise to account for the narrowing of the treatment after

von Thünen, the failure to estimate the strength of the movement (called the latest development of German wage theory) headed by Schulze-Gaevernitz, or even to name his coworkers, the absence of any word concerning the position of many contemporary writers who occupy high places in the German economic world, and above all the total silence concerning the existence or significance of incipient movements in German theory that are plainly visible. One feels also the lack of a summarizing chapter dealing with the general characteristics of German wage thought, pointing out the general relations internally, between the different groups, and externally, between German and English theory, and furnishing some criticism and estimate of the work of the Germans as a whole. The usefulness of the monograph would be increased by the addition of an index.

ROBERT F. HOXIE.

A History of the English Poor Law, in Connection with the State of the Country and the Condition of the People. By SIR GEORGE NICHOLLS, Poor Law Commissioner and Secretary to the Poor Law Board. New edition, with a Biography by H. G. WILLINK, Chairman Bradfield Poor Law Union. New York: G. P. Putnam's Sons; London: P. S. King & Son, 1898. 2 vols. 8vo, pp. lxxviii + 384 and viii + 460.

THE appearance of a new edition of Nicholls's *History of the English Poor Law* is justified by the importance of the work itself, and by the present active scientific and popular interest in the subject with which it deals. The title is familiar to all who have occupied themselves with questions of public relief to the poor, but the work has been accessible to few. The substantial edition which the publishers have here offered to the public will be heartily welcome to many students. In binding, and paper, and print, the work is most satisfactory.

The author was a man of wide experience in several lines, and yet by nature not a tinker but most thorough. He was born in 1781, and after sound elementary schooling he entered the service of the East India Company at the age of sixteen. The next eighteen years he spent on the sea, and after serving several years as captain of a merchantman he retired to a country place in 1816. Three years later he purchased a small property in the country parish of Southwell